



# House of Representatives

General Assembly

**File No. 131**

February Session, 2014

House Bill No. 5061

*House of Representatives, March 26, 2014*

The Committee on Judiciary reported through REP. FOX, G. of the 146th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT CONCERNING UNINSURED MOTORIST COVERAGE FOR BODILY INJURY TO A NAMED INSURED OR RELATIVE DURING THE THEFT OF A MOTOR VEHICLE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 38a-336 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2014, and applicable to claims arising on or after said date*):

4 (a) (1) Each automobile liability insurance policy shall provide  
5 insurance, herein called uninsured and underinsured motorist  
6 coverage, in accordance with the regulations adopted pursuant to  
7 section 38a-334, with limits for bodily injury or death not less than  
8 those specified in subsection (a) of section 14-112, for the protection of  
9 persons insured thereunder who are legally entitled to recover  
10 damages because of bodily injury, including death resulting therefrom,  
11 from owners or operators of uninsured motor vehicles and  
12 underinsured motor vehicles and insured motor vehicles, the insurer  
13 of which becomes insolvent prior to payment of such damages. [

14 because of bodily injury, including death resulting therefrom.] Each  
15 insurer licensed to write automobile liability insurance in this state  
16 shall provide uninsured and underinsured motorists coverage with  
17 limits requested by any named insured upon payment of the  
18 appropriate premium, provided each such insurer shall offer such  
19 coverage with limits that are twice the limits of the bodily injury  
20 coverage of the policy issued to the named insured. The insured's  
21 selection of uninsured and underinsured motorist coverage shall apply  
22 to all subsequent renewals of coverage and to all policies or  
23 endorsements which extend, change, supersede or replace an existing  
24 policy issued to the named insured, unless changed in writing by any  
25 named insured. (A) No insurer shall be required to provide uninsured  
26 and underinsured motorist coverage to [(A)] (i) a named insured or  
27 relatives residing in [his] the named insured's household when  
28 occupying, or struck as a pedestrian by, an uninsured or underinsured  
29 motor vehicle or a motorcycle that is owned by the named insured,  
30 except as provided in subparagraph (B) of this subdivision, or [(B)] (ii)  
31 any insured occupying an uninsured or underinsured motor vehicle or  
32 motorcycle that is owned by such insured. (B) For each automobile  
33 liability insurance policy issued or renewed on or after October 1, 2014,  
34 an insurer shall not deny uninsured motorist coverage to a named  
35 insured or any relative residing in the named insured's household  
36 solely on the basis that the named insured or such relative was struck  
37 as a pedestrian by a motor vehicle or motorcycle, during the theft of  
38 such motor vehicle or motorcycle, that is owned by the named insured  
39 and listed as a covered motor vehicle on the named insured's policy.

40 (2) Notwithstanding any provision of this section, each automobile  
41 liability insurance policy issued or renewed on and after January 1,  
42 1994, shall provide uninsured and underinsured motorist coverage  
43 with limits for bodily injury and death equal to those purchased to  
44 protect against loss resulting from the liability imposed by law unless  
45 any named insured requests in writing a lesser amount, but not less  
46 than the limits specified in subsection (a) of section 14-112. Such  
47 written request shall apply to all subsequent renewals of coverage and  
48 to all policies or endorsements that extend, change, supersede or

49 replace an existing policy issued to the named insured, unless changed  
50 in writing by any named insured. No such written request for a lesser  
51 amount shall be effective unless any named insured has signed an  
52 informed consent form that shall contain: (A) An explanation of  
53 uninsured and underinsured motorist insurance approved by the  
54 commissioner; (B) a list of uninsured and underinsured motorist  
55 coverage options available from the insurer; and (C) the premium cost  
56 for each of the coverage options available from the insurer. Such  
57 informed consent form shall contain a heading in twelve-point type  
58 and shall state: "WHEN YOU SIGN THIS FORM, YOU ARE  
59 CHOOSING A REDUCED PREMIUM, BUT YOU ARE ALSO  
60 CHOOSING NOT TO PURCHASE CERTAIN VALUABLE  
61 COVERAGE WHICH PROTECTS YOU AND YOUR FAMILY. IF YOU  
62 ARE UNCERTAIN ABOUT HOW THIS DECISION WILL AFFECT  
63 YOU, YOU SHOULD GET ADVICE FROM YOUR INSURANCE  
64 AGENT OR ANOTHER QUALIFIED ADVISER."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014, and applicable to claims arising on or after said date</i>	38a-336(a)

**JUD**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

**Explanation**

This bill alters uninsured motorist coverage requirements. As it concerns private insurance transactions, there is no fiscal impact.

**The Out Years**

**State Impact:** None

**Municipal Impact:** None

**OLR Bill Analysis****HB 5061*****AN ACT CONCERNING UNINSURED MOTORIST COVERAGE FOR BODILY INJURY TO A NAMED INSURED OR RELATIVE DURING THE THEFT OF A MOTOR VEHICLE.*****SUMMARY:**

This bill prohibits automobile insurers that issue or renew policies on or after October 1, 2014 from denying uninsured motorist coverage to a named insured or related householder who is struck as a pedestrian by the insured's motor vehicle or motorcycle while it was being stolen. The vehicle must be listed on the insured's policy.

Coverage under those circumstances is not currently required.

EFFECTIVE DATE: October 1, 2014 and applicable to claims arising on or after that date.

**BACKGROUND*****Uninsured and Underinsured Motorist Coverage***

Uninsured motorist coverage reimburses costs related to injuries to a person, his or her family members, or passengers if an uninsured or hit-and-run driver collides with his or her vehicle. Underinsured motorist coverage reimburses costs when an at-fault driver has insufficient insurance to pay for a person's total loss. Both types of coverage also protects a person hit as a pedestrian.

***Related Bill***

The Insurance and Real Estate Committee favorably reported sSB 280, which prohibits insurers from reducing uninsured and underinsured motor vehicle insurance coverage payments by amounts paid by or on behalf of a tortfeasor (i.e., the person at fault) for (1) bodily injury to anyone other than the people insured by the policy

under which the claim is made or (2) property damage. That bill applies to policies issued or renewed on or after October 1, 2015.

**COMMITTEE ACTION**

Judiciary Committee

Joint Favorable

Yea     42     Nay   0     (03/10/2014)